

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**FORM 10-Q**

☒ Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the period ended June 30, 2001

☐ Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File Number 0-27912

**ICON Cash Flow Partners, L.P., Series E**

(Exact name of registrant as specified in its charter)

**Delaware**

(State or other jurisdiction of  
incorporation or organization)

**13-3635208**

(IRS Employer Identification Number)

**111 Church Street, White Plains, New York 10601-1505**

(Address of principal executive offices)

(Zip code)

**(914) 993-1700**

Registrant's telephone number, including area code

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

☒ Yes    ☐ No

**PART I - FINANCIAL INFORMATION****Item 1. Financial Statements****ICON Cash Flow Partners, L.P., Series E  
(A Delaware Limited Partnership)****Consolidated Balance Sheets****(unaudited)**

	June 30, <u>2001</u>	December 31, <u>2000</u>
<u>Assets</u>		
Cash	\$ <u>667,885</u>	\$ <u>1,030,751</u>
Investment in finance leases		
Minimum rents receivable	10,618,292	13,688,669
Estimated unguaranteed residual values	4,732,426	7,904,259
Unearned income	(1,556,625)	(2,077,737)
Allowance for doubtful accounts	<u>(1,508,512)</u>	<u>(1,287,212)</u>
	<u>12,285,581</u>	<u>18,227,979</u>
Investment in financings		
Receivables due in installments	11,265,839	11,907,064
Unearned income	(997,078)	(1,176,563)
Allowance for doubtful accounts	<u>(1,292,886)</u>	<u>(1,235,231)</u>
	<u>8,975,875</u>	<u>9,495,270</u>
Investment in operating leases		
Equipment, at cost	21,554,841	20,707,984
Accumulated depreciation	<u>(4,920,000)</u>	<u>(4,584,394)</u>
	<u>16,634,841</u>	<u>16,123,590</u>
Investments in unconsolidated joint ventures	<u>216,168</u>	<u>483,555</u>
Other assets	<u>431,362</u>	<u>793,601</u>
Total assets	<u>\$ 39,211,712</u>	<u>\$ 46,154,746</u>

(continued on next page)

**ICON Cash Flow Partners, L.P., Series E**  
**(A Delaware Limited Partnership)**

**Consolidated Balance Sheets (Continued)**

**(unaudited)**

	June 30, <u>2001</u>	December 31, <u>2000</u>
<u>Liabilities and Partners' Equity</u>		
Notes payable - securitized debt	\$ 10,289,497	\$ 14,318,259
Notes payable - non-recourse	16,027,333	17,798,581
Security deposits, deferred credits and other payables	1,795,578	2,022,692
Minority interests in consolidated joint ventures	<u>560,604</u>	<u>635,659</u>
	<u>28,673,012</u>	<u>34,775,191</u>
 Commitments and Contingencies		
Partners' equity (deficiency)		
General Partner	(414,473)	(406,065)
Limited partners (607,856 units outstanding, \$100 per unit original issue price in 2001 and 2000, respectively)	<u>10,953,173</u>	<u>11,785,620</u>
Total partners' equity	<u>10,538,700</u>	<u>11,379,555</u>
Total liabilities and partners' equity	<u>\$ 39,211,712</u>	<u>\$ 46,154,746</u>

See accompanying notes to consolidated financial statements.

**ICON Cash Flow Partners, L.P., Series E**  
**(A Delaware Limited Partnership)**

**Consolidated Statements of Operations**

(unaudited)

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	<u>2001</u>	<u>2000</u>	<u>2001</u>	<u>2000</u>
Revenues				
Finance income	\$ 726,227	\$ 931,831	\$ 1,518,504	\$ 1,952,725
Rental income	639,001	615,000	1,254,001	1,230,000
Gain on sales of equipment	27,039	83,282	55,629	214,645
Interest income and other	30,584	64,504	62,912	95,038
(Loss) income from investments in unconsolidated joint ventures	<u>(254,645)</u>	<u>34,966</u>	<u>(267,387)</u>	<u>65,958</u>
Total revenues	<u>1,168,206</u>	<u>1,729,583</u>	<u>2,623,659</u>	<u>3,558,366</u>
Expenses				
Interest	608,442	760,918	1,269,202	1,559,739
General and administrative	194,693	206,088	368,732	367,983
Depreciation	188,803	146,802	335,606	293,605
Provision for bad debts	150,000	-	275,000	-
Management fees-General Partner	148,788	216,173	285,372	392,405
Administrative expense reimbursements				
General Partner	86,365	114,476	169,588	232,439
Amortization of initial direct costs	-	10,735	-	16,127
Minority interest (income) expense in consolidated joint ventures	<u>(45,352)</u>	<u>62,560</u>	<u>(75,055)</u>	<u>120,401</u>
Total expenses	<u>1,331,739</u>	<u>1,517,752</u>	<u>2,628,445</u>	<u>2,982,699</u>
Net (loss) income	<u>\$ (163,533)</u>	<u>\$ 211,831</u>	<u>\$ (4,786)</u>	<u>\$ 575,667</u>
Net (loss) income allocable to:				
Limited partners	\$ (161,898)	\$ 209,713	(4,738)	569,910
General Partner	<u>(1,635)</u>	<u>2,118</u>	<u>(48)</u>	<u>5,757</u>
	<u>\$ (163,533)</u>	<u>\$ 211,831</u>	<u>\$ (4,786)</u>	<u>\$ 575,667</u>
Weighted average number of limited partnership units outstanding	<u>607,856</u>	<u>607,856</u>	<u>607,856</u>	<u>607,856</u>
Net (loss) income per weighted average limited partnership unit	<u>\$ (.27)</u>	<u>\$ .35</u>	<u>\$ (.01)</u>	<u>\$ .94</u>

See accompanying notes to consolidated financial statements.

**ICON Cash Flow Partners, L.P., Series E**  
**(A Delaware Limited Partnership)**

**Consolidated Statements of Changes in Partners' Equity**

**For the Six Months Ended June 30, and the  
Year Ended December 31, 2000**

(unaudited)

Limited Partner Distributions

	Return of <u>Capital</u> (Per weighted average unit)	Investment <u>Income</u>	Limited <u>Partners</u>	General <u>Partner</u>	<u>Total</u>
Balance at December 31, 1999			\$ 15,065,327	\$ (372,938)	\$ 14,692,389
Cash distribution to partners	\$ 5.39	\$ .65	(3,672,173)	(37,091)	(3,709,264)
Net income			<u>392,466</u>	<u>3,964</u>	<u>396,430</u>
Balance at December 31, 2000			11,785,620	(406,065)	11,379,555
Cash distribution to partners	\$ 1.37	\$ (.01)	(827,709)	(8,360)	(836,069)
Net loss			<u>(4,738)</u>	<u>(48)</u>	<u>(4,786)</u>
Balance at June 30, 2001			<u>\$ 10,953,173</u>	<u>\$ (414,473)</u>	<u>\$ 10,538,700</u>

See accompanying notes to consolidated financial statements.

**ICON Cash Flow Partners, L.P., Series E**  
**(A Delaware Limited Partnership)**

**Consolidated Statements of Cash Flows**

**For the Six Months Ended June 30,**

**(unaudited)**

	<u>2001</u>	<u>2000</u>
Cash flows provided by operating activities:		
Net (loss) income	\$ (4,786)	\$ 575,667
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	335,606	293,605
Rental income - paid directly to lenders by lessees	(1,230,000)	(1,230,000)
Provision for bad debts	275,000	-
Amortization of initial direct costs	-	16,127
Finance income portion of receivables paid directly to lenders by lessees	(261,425)	(511,492)
Gain on sales of equipment	(55,629)	(214,645)
Minority interest (income) expense in consolidated joint venture	(75,055)	120,401
Interest expense on non-recourse financing paid directly by lessees	888,489	909,235
Loss (income) from investments in unconsolidated joint ventures	267,387	(65,958)
Changes in operating assets and liabilities:		
Collection of principal - non-financed receivables	3,721,434	7,585,402
Security deposits, deferred credits and other payables	(227,114)	1,393,680
Other assets	362,239	(270,128)
Other	<u>156,232</u>	<u>101,285</u>
Total adjustments	<u>4,157,164</u>	<u>8,127,512</u>
Net cash provided by operating activities	<u>4,152,378</u>	<u>8,703,179</u>
Cash flows from investing activities:		
Proceeds from sales of equipment	349,587	576,997
Distributions received from unconsolidated joint ventures	<u>-</u>	<u>140,629</u>
Net cash provided by investing activities	<u>349,587</u>	<u>717,626</u>

(continued on next page)

**ICON Cash Flow Partners, L.P., Series E**  
**(A Delaware Limited Partnership)**

**Consolidated Statements of Cash Flows (Continued)**

**For the Six Months Ended June 30,**

**(unaudited)**

	<u>2001</u>	<u>2000</u>
Cash flows from financing activities:		
Proceeds from non-recourse debt	-	11,943,528
Principal payments on non-recourse debt	-	(12,673,843)
Principal payments on securitized debt	(4,028,762)	(5,608,941)
Cash distributions to partners	<u>(836,069)</u>	<u>(1,535,634)</u>
Net cash (used in) financing activities	<u>(4,864,831)</u>	<u>(7,874,890)</u>
Net increase (decrease) in cash	(362,866)	1,545,915
Cash at beginning of period	<u>1,030,751</u>	<u>2,073,759</u>
Cash at end of period	<u>\$ 667,885</u>	<u>\$ 3,619,674</u>

See accompanying notes to consolidated financial statements.

**ICON Cash Flow Partners, L.P., Series E**  
**(A Delaware Limited Partnership)**

**Consolidated Statements of Cash Flows (Continued)**

**Supplemental Disclosures of Cash Flow Information**

During the six months ended June 30, 2001 and 2000, non-cash activities included the following:

	<u>2001</u>	<u>2000</u>
Principal and interest on direct finance receivables paid directly to lenders by lessees	\$ 1,429,737	\$ 2,673,654
Rental income on operating lease paid directly to lender by lessees	1,230,000	1,230,000
Principal and interest on non-recourse debt paid directly by lessees	<u>(2,659,737)</u>	<u>(3,903,654)</u>
	<u>\$ -</u>	<u>\$ -</u>

Interest expense of \$1,269,202 and \$1,559,739 for the six months ended June 30, 2001 and 2000 consisted of interest expense on non-recourse financing accrued or paid directly to lenders by lessees of \$888,489 and \$909,235, respectively, and interest expense on securitized debt of \$380,713 and \$650,504, respectively.



**ICON Cash Flow Partners, L.P., Series E**  
**(A Delaware Limited Partnership)**

**Notes to Unaudited Consolidated Financial Statements**

**June 30, 2001**

**1. Basis of Presentation**

The consolidated financial statements of ICON Cash Flow Partners, L.P., Series E (the "Partnership") have been prepared pursuant to the rules and regulations of the Securities and Exchange Commission (the "SEC") and, in the opinion of management, include all adjustments (consisting only of normal recurring accruals) necessary for a fair statement of income for each period shown. Certain information and footnote disclosures normally included in consolidated financial statements prepared in accordance with accounting principles generally accepted in the United States of America have been condensed or omitted pursuant to such SEC rules and regulations. Management believes that the disclosures made are adequate to make the information presented not misleading. The results for the interim period are not necessarily indicative of the results for the full year. These consolidated financial statements should be read in conjunction with the consolidated financial statements and notes included in the Partnership's 2000 Annual Report on Form 10-K.

**2. Disposition Period**

The Partnership's reinvestment period ended on July 31, 1998. The disposition period commenced on August 1, 1998. During the disposition period the Partnership has and will continue to distribute substantially all distributable cash from operations and equipment sales to the partners and continue the orderly termination of its operations and affairs. The Partnership will not invest in any additional finance or lease transactions during the disposition period. During the disposition period, the Partnership expects to recover, at a minimum, the carrying value of its assets.

**3. Related Party Transactions**

Fees paid or accrued by the Partnership to the General Partner or its affiliates for the six months ended June 30, 2001 and 2000 are as follows:

	<u>2001</u>	<u>2000</u>	
Management fees	\$ 285,372	\$ 392,405	Charged to operations
Administrative expense reimbursements	<u>169,588</u>	<u>232,439</u>	Charged to operations
Total	<u>\$ 454,960</u>	<u>\$ 624,844</u>	

The Partnership has investments in five joint ventures with other partnerships sponsored by the General Partner. (See Note 4 for additional information relating to the joint ventures.)

**ICON Cash Flow Partners, L.P., Series E**  
**(A Delaware Limited Partnership)**

**Notes to Unaudited Consolidated Financial Statements - Continued**

**4. Investments in Joint Ventures**

The Partnership and affiliates formed five joint ventures for the purpose of acquiring and managing various assets.

The two joint ventures described below are majority owned and are consolidated with the Partnership.

ICON Cash Flow Partners L.L.C. I

In September 1994 the Partnership and an affiliate, ICON Cash Flow Partners L.P. Six ("L.P. Six"), formed a joint venture, ICON Cash Flow Partners, L.L.C. I ("ICON Cash Flow LLC I"), for the purpose of acquiring and managing an aircraft. The Partnership and L.P. Six contributed 99% and 1% of the cash required for such acquisition, respectively, to ICON Cash Flow LLC I. The Partnership's consolidated financial statements include 100% of the assets and liabilities of ICON Cash Flow LLC I. L.P. Six's investment in ICON Cash Flow LLC I has been reflected as "Minority interests in consolidated joint ventures."

ICON Receivables 1997-B L.L.C.

In August 1997 the Partnership, L.P. Six and ICON Cash Flow Partners L.P. Seven ("L.P. Seven") formed 1997-B, a special purpose entity formed for the purpose of originating leases and securitizing its portfolio. The Partnership, L.P. Six and L.P. Seven contributed \$2,250,000 (75.00% interest), \$250,000 (8.33% interest) and \$500,000 (16.67% interest), respectively to 1997-B. In October 1998, 1997-B completed an equipment securitization. The net proceeds from the securitization of these assets were used to pay-off the remaining 1997-B warehouse facility balance and any remaining proceeds were distributed to the 1997-B members in accordance with their membership interests. The Partnership's consolidated financial statements include 100% of the assets and liabilities of 1997-B. L.P. Six and L.P. Seven's interests in 1997-B have been reflected as "minority interests in consolidated joint ventures."

The three joint ventures described below are less than 50% owned and are accounted for following the equity method.

ICON Cash Flow Partners L.L.C. II

In March 1995 the Partnership and L.P. Six formed a joint venture, ICON Cash Flow Partners L.L.C. II ("ICON Cash Flow LLC II"), for the purpose of acquiring and managing an aircraft. The Partnership and L.P. Six contributed 1% and 99% of the cash required for such acquisition, respectively, to ICON Cash Flow LLC II. The Partnership's investment in the joint venture is accounted for under the equity method.

**ICON Cash Flow Partners, L.P., Series E**  
**(A Delaware Limited Partnership)**

**Notes to Unaudited Consolidated Financial Statements – Continued**

Information as to the unaudited financial position and results of operations of ICON Cash Flow LLC II at June 30, 2001 and 2000 are summarized below:

	<u>June 30, 2001</u>	<u>June 30, 2000</u>
Assets	<u>\$17,403,153</u>	<u>\$15,351,943</u>
Liabilities	<u>\$10,494,238</u>	<u>\$ 8,770,175</u>
Equity	<u>\$ 6,908,915</u>	<u>\$ 6,581,768</u>
Partnership's share of equity	<u>\$ 69,089</u>	<u>\$ 65,818</u>
	<u>Six Months Ended June 30, 2001</u>	<u>Six Months Ended June 30, 2000</u>
Net income	<u>\$ 269,111</u>	<u>\$ 519,363</u>
Partnership's share of net income	<u>\$ 2,691</u>	<u>\$ 5,194</u>

ICON Cash Flow L.L.C. III

In December 1996 the Partnership and an affiliate, ICON Cash Flow Partners, L.P. Seven ("L.P. Seven"), formed a joint venture, ICON Cash Flow Partners L.L.C. III ("ICON Cash Flow LLC III"), for the purpose of acquiring and managing an aircraft. The Partnership and L.P. Seven contributed 1% and 99% of the cash required for such acquisition, respectively, to ICON Cash Flow LLC III. The Partnership's investment in the joint venture is accounted for under the equity method.

Information as to the unaudited financial position and results of operations of ICON Cash Flow LLC III at June 30, 2001 and 2000 are summarized below:

	<u>June 30, 2001</u>	<u>June 30, 2000</u>
Assets	<u>\$ 7,238,337</u>	<u>\$ 8,740,415</u>
Liabilities	<u>\$ 2,631,391</u>	<u>\$ 4,692,315</u>
Equity	<u>\$ 4,606,946</u>	<u>\$ 4,098,100</u>
Partnership's share of equity	<u>\$ 46,069</u>	<u>\$ 40,981</u>
	<u>Six Months Ended June 30, 2001</u>	<u>Six Months Ended June 30, 2000</u>
Net income	<u>\$ 249,299</u>	<u>\$ 248,400</u>
Partnership's share of net income	<u>\$ 2,493</u>	<u>\$ 2,484</u>

**ICON Cash Flow Partners, L.P., Series E**  
**(A Delaware Limited Partnership)**

**Notes to Unaudited Consolidated Financial Statements - Continued**

ICON Receivables 1997-A L.L.C.

In March 1997 three affiliates of the Partnership, ICON Cash Flow Partners, L.P., Series D ("Series D"), L.P. Six and L.P. Seven, contributed and assigned equipment lease and finance receivables and residuals to ICON Receivables 1997-A L.L.C. ("1997-A"), a special purpose entity created for the purpose of originating leases, managing existing contributed assets and securitizing its portfolio. In September 1997 the Partnership, L.P. Six and L.P. Seven contributed and assigned additional equipment lease and finance receivables and residuals to 1997-A. The Partnership, Series D, L.P. Six and L.P. Seven received a 31.19%, 17.81%, 31.03% and 19.97% interest, respectively, in 1997-A based on the value of their related contributions. In September 1997, 1997-A securitized substantially all of its equipment leases and finance receivables and residuals. 1997-A became the beneficial owner of a trust. The Partnership's original investment was recorded at cost and is adjusted by its share of earnings, losses and distributions thereafter.

Information as to the unaudited financial position and results of operations of 1997-A at June 30, 2001 and 2000 are summarized below:

	<u>June 30, 2001</u>	<u>June 30, 2000</u>
Assets	<u>\$ 5,196,836</u>	<u>\$13,201,639</u>
Liabilities	<u>\$ 4,872,966</u>	<u>\$10,160,355</u>
Equity	<u>\$ 323,870</u>	<u>\$ 3,041,284</u>
Partnership's share of equity	<u>\$ 101,010</u>	<u>\$ 638,324</u>
	<u>Six Months Ended</u> <u>June 30, 2001</u>	<u>Six Months Ended</u> <u>June 30, 2000</u>
Net loss	<u>\$(1,868,675)</u>	<u>\$ 186,847</u>
Partnership's share of net loss	<u>\$ (272,571)</u>	<u>\$ 58,280</u>

1997-A recorded provision for bad debt of \$1,825,000 during the six month period ended June 30, 2001.

**5. Disposition Period**

The Partnership's reinvestment period ended on July 31, 1998. The disposition period began August 1, 1998, at which time the Partnership began the orderly termination of its operations and affairs. During the disposition period the Partnership has, and will continue to distribute substantially all distributable cash from operations and equipment sales to the partners. The Partnership has not, and will not invest in any additional finance or lease transactions during the disposition period. As a result of the Partnership's entering into the disposition period, future monthly distributions could, and are expected to fluctuate depending on the amount of asset sale and re-lease proceeds received during that period.

**ICON Cash Flow Partners, L.P., Series E**  
**(A Delaware Limited Partnership)**

**Notes to Unaudited Consolidated Financial Statements - Continued**

**6. Investment in Operating Leases**

In the second quarter of 2001, the original lease term of power generator equipment accounted for as a direct finance lease expired. The residual value at the expiration of the original lease term was \$846,857. This lease was renewed for a twelve month period. This renewal lease is now accounted for as an operating lease.

**7. Investment in Financings**

In 2001, the original lease term of a production facility accounted for as a direct finance lease expired. The residual value at the end of the original lease term was \$1,810,085. The underlying equipment was financed under a five-year note agreement. The note received as a result of the financing is included in investment in financings. There was no gain or loss recognized when the underlying equipment residual value was financed under the note agreement.

**ICON Cash Flow Partners, L.P., Series E**  
**(A Delaware Limited Partnership)**

**June 30, 2001**

**Item 2. General Partner's Discussion and Analysis of Financial Condition and Results of Operations**

The Partnership's portfolio consisted of a net investment in finance leases, financings, operating leases, and investments in unconsolidated joint ventures representing 37%, 19%, 44%, 0% of total investments at June 30, 2001, respectively, and 46%, 22%, 31% and 1% of total investments at June 30, 2000, respectively.

**Results of Operations**

**Three Months Ended June 30, 2001 and 2000**

Revenues for the three months ended June 30, 2001 were \$1,168,206 representing a decrease of \$561,377 from 2000. The decrease in revenues resulted primarily from a loss from investments in joint ventures of \$254,645 versus income from investment in joint ventures of \$34,966 in 2000 and decreases in finance income of \$205,604 and gain on sales of equipment of \$56,243. These decreases were partially offset by a \$24,001 increase in rental income. The decrease in income from investment in joint ventures resulted primarily from a provision for bad debts of \$1,700,000 recorded by 1997-A in the 2001 period. The decrease in finance income was primarily due to a decrease in the average size of the finance lease portfolio from 2000 to 2001, and due to a finance lease which was renewed in 2001 and which is now classified as an operating lease during its renewal term. The decrease in gain on sales of equipment resulted from a decrease in the amount of equipment sold where the proceeds received were in excess of the remaining carrying value. The increase in rental income was due to a finance lease which was renewed in 2001 and which is now classified as an operating lease. As a result, rentals received relating to this lease are now reported as rental income. Prior to this reclassification, such rentals were included as collection of finance lease receivables with the finance portion included in the finance income.

Expenses for the three months ended June 30, 2001 were \$1,331,739 representing a decrease of \$186,013 from 2000. The decline was due primarily to a decrease in interest expense of \$152,476, minority interest income of \$45,352 in 2001 versus minority interest expense of \$62,560 in 2000, management fees of \$67,385, general and administrative expenses of \$11,395 and administrative expense reimbursements of \$28,111. These decreases were partially offset by an increase in provision for bad debts of \$150,000 and an increase in depreciation of \$42,001. The decrease in interest expense resulted from a decrease in average debt outstanding from 2000 to 2001. Minority interest income resulted from an overall loss in the Partnership's two consolidated joint ventures in 2001 versus income recognized in the joint ventures in 2000. The decrease in management fees and administrative expense reimbursements resulted from a decrease in the average size of the finance lease portfolio. The increase in provision for bad debts was the result of determinations made of the level of reserves required during the 2001 and 2000 periods, respectively. These determinations were the result of the Partnership's ongoing analysis of delinquency trends, loss experience and an assessment of overall credit risk. The increase in depreciation was due to a higher average level of operating lease investments during the 2001 period.

Net (loss) income for the three months ended June 30, 2001 and 2000 was (\$163,353) and \$211,831, respectively. The net (loss) income per weighted average limited partnership unit was (\$.27) and \$.35 for 2001 and 2000, respectively.

**ICON Cash Flow Partners, L.P., Series E**  
**(A Delaware Limited Partnership)**

**Six Months Ended June 30, 2001 and 2000**

Revenues for the six months ended June 30, 2001 were \$2,623,659 representing a decrease of \$934,707 from 2000. The decrease in revenues resulted principally from a decrease in finance income of \$434,221, a loss from investments in joint ventures of \$267,387 versus income from investment in joint ventures of \$65,958 in 2000 and a decrease in gain on sales of equipment of \$159,016. These decreases were partially offset by a \$24,001 increase in rental income. The decrease in finance income was primarily due to a decrease in the average size of the finance lease portfolio from 2000 to 2001 and due to a finance lease which was renewed in 2001 and is now classified as an operating lease during its renewal term. The loss from investment in joint venture resulted primarily from a provision for bad debts of \$1,825,000 recorded by 1997-A in 2001. The decrease in gain on sales of equipment resulted from a decrease in the amount of equipment sold where the proceeds received were in excess of the remaining carrying value. The increase in rental income was due to a finance lease which was renewed in 2001 and which is now classified as an operating lease. As a result, rentals received relating to this lease are now reported as rental income. Prior to the reclassification, such rentals were included as collections of finance lease receivables with the finance portion included in finance income.

Expenses for the six months ended June 30, 2001 were \$2,628,445 representing a decrease of \$354,254 from 2000. The decline was due principally to a decrease in interest expense of \$290,537, a decrease in management fees of \$107,033, minority interest income of \$75,055 in 2001 versus minority interest expense of \$120,401 in 2000, and a decrease in administrative expense reimbursements of \$62,851. These decreases were partially offset by an increase in provision for bad debts of \$275,000 and an increase in depreciation of \$42,001. The decrease in interest expense resulted from a decrease in average debt outstanding from 2000 to 2001. Minority interest income resulted from an overall loss in the Partnership's two consolidated joint ventures in 2001 versus income recognized in the joint ventures in 2000. The decrease in management fees and administrative expense reimbursements resulted from a decrease in the average size of the finance lease portfolio. The increase in provision for bad debts was the result of determinations made of the level of reserves required during the 2001 and 2000 periods, respectively. These determinations were the result of the Partnership's ongoing analysis of delinquency trends, loss experience and an assessment of overall credit risk. The increase in depreciation was due to a higher level of operating lease investments during the 2001 period.

Net (loss) income for the six months ended June 30, 2001 and 2000 was (\$4,786) and \$575,667, respectively. The net (loss) income per weighted average limited partnership unit was (\$.01) and \$.94 for 2001 and 2000, respectively.

**Liquidity and Capital Resources**

The Partnership's primary sources of funds for the six months ended June 30, 2001 and 2000 were net cash provided by operations of \$4,152,378 and \$8,703,179, proceeds from sales of equipment of \$349,587 and \$576,997 and borrowings of \$11,943,528 during 2000. These funds were used to fund cash distributions and debt repayments.

Cash distributions to limited partners for the six months ended June 30, 2001 and 2000 totaled \$827,709 and \$1,520,286, respectively.

**ICON Cash Flow Partners, L.P., Series E**  
**(A Delaware Limited Partnership)**

The Partnership's reinvestment period ended on July 31, 1998. The disposition period began August 1, 1998, at which time the Partnership began the orderly termination of its operations and affairs. During the disposition period the Partnership has, and will continue to distribute substantially all distributable cash from operations and equipment sales to the partners. The Partnership has not, and will not invest in any additional finance or lease transactions during the disposition period. As a result of the Partnership's entering into the disposition period, future monthly distributions could, and are expected to fluctuate depending on the amount of asset sale and re-lease proceeds received during that period.

As of June 30, 2001, except as noted above, there were no known trends or demands, commitments, events or uncertainties which are likely to have a material effect on liquidity. As cash is realized from operations and sales of equipment, the Partnership will distribute substantially all available cash, after retaining sufficient cash to meet its reserve requirements and recurring obligations.

**Item 3. Qualitative and Quantitative Disclosures About Market Risk**

The Partnership is exposed to certain market risks, including changes in interest rates. The Partnership believes its exposure to other market risks, including commodity risk and equity price risk, are insignificant to both its financial position and results of operations.

The Partnership manages its interest rate risk by obtaining fixed rate debt. The fixed rate debt service obligation streams are generally matched by fixed rate lease receivable streams generated by the Partnership's lease investments.



**ICON Cash Flow Partners, L.P., Series E**  
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**PART II - OTHER INFORMATION**

Item 6 - Exhibits and Reports on Form 8-K

No reports on Form 8-K were filed by the Partnership during the quarter ended June 30, 2001.

**ICON Cash Flow Partners, L.P., Series E**  
**(A Delaware Limited Partnership)**

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

ICON Cash Flow Partners, L.P., Series E  
File No. 33-44413 (Registrant)  
By its General Partner,  
ICON Capital Corp.

August 10, 2001

Date

/s/ Thomas W. Martin

Thomas W. Martin  
Executive Vice President  
(Principal financial and accounting officer of  
the General Partner of the Registrant)